

111TH CONGRESS
1ST SESSION

H. R. 1645

To provide grants to promote financial and economic literacy.

IN THE HOUSE OF REPRESENTATIVES

MARCH 19, 2009

Mrs. MCCARTHY of New York introduced the following bill; which was
referred to the Committee on Education and Labor

A BILL

To provide grants to promote financial and economic literacy.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Financial and Eco-
5 nomic Literacy Improvement Act of 2009”.

6 **SEC. 2. FINANCIAL AND ECONOMIC LITERACY EDUCATION**
7 **GRANTS.**

8 (a) IN GENERAL.—Part D of title V of the Elemen-
9 tary and Secondary Education Act of 1965 (20 U.S.C.
10 7241 et seq.) is amended by inserting after section 5537
11 the following:

**“Subpart 13A—Financial and Economic Literacy
Education**

**“SEC. 5538. FINANCIAL AND ECONOMIC LITERACY EDU-
CATION GRANTS.**

“(a) AUTHORIZATION.—The Secretary shall award grants to eligible entities to enable such entities—

“(1) to award subgrants to local entities to provide financial and economic literacy education; and

“(2) to carry out activities designed to promote financial and economic literacy education.

“(b) ELIGIBLE ENTITIES.—In this section, the term ‘eligible entity’ means—

“(1) a State educational agency; or

“(2) a State partnership consisting of—

“(A) a State educational agency;

“(B) a nonprofit organization with experience and a proven quality track record in financial and economic literacy or personal finance education programs; and

“(C) a nonprofit organization with experience and a proven track record in quality professional development for teachers leading to higher student achievement in skills and subjects integral to financial and economic literacy or personal finance education.

1 “(c) APPLICATION.—An eligible entity that desires to
 2 receive a grant under this section shall submit an applica-
 3 tion to the Secretary at such time, in such manner, and
 4 accompanied by such information as the Secretary may
 5 require.

6 “(d) FORMULA.—From the total amount appro-
 7 priated under subsection (g) for a fiscal year, the Sec-
 8 retary shall allot to each State for such fiscal year an
 9 amount that bears the same relation to such total amount
 10 as the amount such State received under part A of title
 11 I for such fiscal year bears to the total amount received
 12 by all States under part A of title I for such fiscal year.

13 “(e) USE OF FUNDS.—

14 “(1) SUBGRANTS TO ELIGIBLE LOCAL ENTI-
 15 TIES.—

16 “(A) ELIGIBLE LOCAL ENTITY.—In this
 17 section, the term ‘eligible local entity’ means—

18 “(i) a local educational agency; or

19 “(ii) a local partnership consisting
 20 of—

21 “(I) a local educational agency;

22 and

23 “(II) not less than 1 of the fol-
 24 lowing:

1 “(aa) A nonprofit organiza-
2 tion with experience and a proven
3 track record in quality financial
4 and economic literacy or personal
5 finance education programs.

6 “(bb) A nonprofit organiza-
7 tion with experience and a proven
8 track record in quality profes-
9 sional development for teachers
10 leading to higher student achieve-
11 ment in skills and subjects inte-
12 gral to financial and economic lit-
13 eracy or personal finance edu-
14 cation.

15 “(cc) An educational service
16 agency.

17 “(dd) A recipient of an Ex-
18 cellence in Economic Education
19 grant under subpart 13.

20 “(ee) An institution of high-
21 er education.

22 “(ff) A community organiza-
23 tion.

24 “(gg) A representative of
25 local business.

1 “(B) AUTHORIZATION OF SUBGRANTS.—

2 An eligible entity that receives a grant under
3 this section shall use 75 percent of such grant
4 funds to award subgrants to eligible local enti-
5 ties.

6 “(C) APPLICATIONS.—

7 “(i) IN GENERAL.—An eligible local
8 entity that desires to receive a subgrant
9 under this paragraph shall submit an ap-
10 plication to the eligible entity at such time,
11 in such manner, and accompanied by such
12 information as the eligible entity may re-
13 quire.

14 “(ii) REVIEW OF APPLICATIONS.—The
15 eligible entity shall review applications sub-
16 mitted under clause (i) in the same man-
17 ner as applications are reviewed under sec-
18 tion 5534(b).

19 “(D) USE OF FUNDS.—An eligible local
20 entity that receives a subgrant under this para-
21 graph—

22 “(i) shall use the subgrant funds to—

23 “(I) implement teacher training
24 programs to embed financial and eco-
25 nomic literacy and personal finance

1 education into core academic subjects
2 or to effectively coordinate the teach-
3 ing of core academic subjects with
4 teaching of financial and economic lit-
5 eracy and personal finance education;

6 “(II) administer financial and
7 economic literacy assessments on not
8 less than an annual basis in, at a
9 minimum, the grade levels selected by
10 the State pursuant to paragraph
11 (2)(A); and

12 “(III) implement financial and
13 economic literacy activities and se-
14 quences of study within, or coordi-
15 nated with, core academic subjects;
16 and

17 “(ii) may use the subgrant funds to
18 implement school-based activities, including
19 after school activities, to enhance student
20 understanding and experiential learning
21 with consumer, economic, and personal fi-
22 nance concepts.

23 “(E) REPORT.—An eligible local entity
24 that receives a subgrant under this paragraph
25 shall include in the annual report card under

1 section 1111(h)(2) the same information on
2 student achievement on the financial and eco-
3 nomic literacy assessments, administered pursu-
4 ant to subparagraph (D), as required, pursuant
5 to section 1111(h)(2), of the other State aca-
6 demic assessments described in section
7 1111(b)(3).

8 “(2) STATE ACTIVITIES.—An eligible entity
9 that receives a grant under this section shall use 25
10 percent of such grant funds to carry out the fol-
11 lowing:

12 “(A) The development of financial and eco-
13 nomic literacy standards in not less than 3
14 grade levels, including not less than 1 grade
15 level in elementary school, not less than 1 grade
16 level in middle school, and not less than 1 grade
17 level in high school.

18 “(B) The development of appropriate fi-
19 nancial and economic literacy assessments in
20 the grade levels determined under subparagraph
21 (A) that are valid, reliable, and comparable
22 across the State.

23 “(C) Teacher professional development
24 programs to embed financial and economic lit-

1 eracy or personal finance education into core
2 academic subjects.

3 “(D) An evaluation of the impact of finan-
4 cial and economic literacy or personal finance
5 education on students’ understanding of finan-
6 cial and economic literacy concepts.

7 “(f) MATCHING FUNDS.—An eligible entity that re-
8 ceives a grant under this section shall provide, from non-
9 Federal sources, an amount equal to 25 percent of the
10 amount of the grant award to carry out activities required
11 under this section.

12 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
13 are authorized to be appropriated to carry out this section
14 \$125,000,000 for each of fiscal years 2010 through 2015.

15 **“SEC. 5539. FINANCIAL AND ECONOMIC LITERACY AND**
16 **ECONOMIC EDUCATION CLEARINGHOUSE.**

17 “(a) CLEARINGHOUSE.—The Secretary shall main-
18 tain a clearinghouse of best practices, tools, and instruc-
19 tional materials for financial and economic literacy and
20 personal finance instruction, aligned with voluntary na-
21 tionally recognized curriculum standards in such areas, for
22 students of elementary school, secondary school, and post-
23 secondary school age (to be known as the ‘Financial and
24 Economic Literacy and Economic Education Clearing-
25 house’).

1 “(b) ACTIVITIES.—The Financial and Economic Lit-
 2 eracy and Economic Education Clearinghouse shall collect
 3 and disseminate high-quality materials on financial and
 4 economic literacy, including best practices, professional
 5 development, and teaching tools that are aligned with vol-
 6 untary nationally recognized curriculum standards in such
 7 areas.

8 “(c) ACCESSIBILITY.—The information of the Finan-
 9 cial and Economic Literacy and Economic Education
 10 Clearinghouse shall—

11 “(1) be housed in a centrally accessible and
 12 user-friendly format and location; and

13 “(2) be easily accessible from the Department
 14 of Education website.

15 “(d) AUTHORIZATION OF APPROPRIATIONS.—There
 16 are authorized to be appropriated to carry out this section
 17 such sums as may be necessary for each of fiscal years
 18 2010 through 2015.”.

19 (b) TABLE OF CONTENTS.—The table of contents in
 20 section 2 of the Elementary and Secondary Education Act
 21 of 1965 is amended by inserting after the item relating
 22 to section 5537 the following:

 “Subpart 13A—Financial and Economic Literacy Education

 “Sec. 5538. Financial and economic literacy education grants.

 “Sec. 5539. Financial and Economic Literacy and Economic Education Clear-
 inghouse.”.

1 **SEC. 3. GRANTS TO PROMOTE POSTSECONDARY FINANCIAL**
2 **AND ECONOMIC LITERACY.**

3 Part A of title III of the Higher Education Act of
4 1965 (20 U.S.C. 1057 et seq.) is amended by adding at
5 the end the following:

6 **“SEC. 318. GRANTS TO PROMOTE POSTSECONDARY FINAN-**
7 **CIAL AND ECONOMIC LITERACY.**

8 “(a) AUTHORIZATION OF GRANT AWARDS.—The Sec-
9 retary shall award grants, on a competitive basis, to eligi-
10 ble entities to enable such entities to provide financial and
11 economic literacy courses or course components to stu-
12 dents.

13 “(b) DEFINITION OF ELIGIBLE ENTITY.—In this sec-
14 tion, the term ‘eligible entity’ means—

15 “(1) an institution of higher education; or

16 “(2) a partnership consisting of—

17 “(A) an institution of higher education;

18 “(B) a nonprofit organization with experi-
19 ence and a proven track record in quality finan-
20 cial and economic literacy or personal finance
21 education programs; and

22 “(C) a nonprofit organization with experi-
23 ence and a proven track record in quality pro-
24 fessional development for teachers leading to
25 higher student achievement in skills and sub-

1 jects integral to financial and economic literacy
2 or personal financial education.

3 “(c) APPLICATION.—An eligible entity that desires to
4 receive a grant under this section shall submit an applica-
5 tion to the Secretary at such time, in such manner, and
6 accompanied by such information as the Secretary may
7 require.

8 “(d) MINIMUM GRANT AMOUNT.—The Secretary
9 shall award grants under this section in amounts of not
10 less than \$500,000.

11 “(e) USE OF FUNDS.—An eligible entity that receives
12 a grant under this section shall use the grant funds to
13 develop and implement financial and economic literacy
14 education, activities, student organizations, or counseling
15 that increase student knowledge in consumer, economic,
16 and personal financial concepts.

17 “(f) AUTHORIZATION OF APPROPRIATIONS.—There
18 are authorized to be appropriated to carry out this section
19 \$125,000,000 for each of the fiscal years 2010 through
20 2015.”.

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